

410.05**Financial Management****Overview**

**Accounting
system**

The Iowa WIC Program meets the requirements of the Office of Management and Budget and Section 246.13 of the WIC Regulations by maintaining an accounting system through the Bureau of Finance of the Iowa Department of Public Health. This system identifies all revenues and expenditures of the program and allocates them to cost centers for the appropriate fiscal year.

**State WIC
office**

At the state WIC office, the WIC Program Planner:

- Reviews and approves charges as posted on IowaGrants.gov against WIC funds,
 - Maintains records of obligations incurred by the state WIC office, and
 - Prepares the monthly Financial Management and Participant Report (FNS-798), and electronically updates, verifies and certifies the report.
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**Contract
agency
compliance**

Every agency that provides WIC services must sign a contract that incorporates federal regulations. Compliance is determined by submission of a budget and on-site monitoring of fiscal procedures for each agency.

Reimbursement

Agency reimbursement

Agencies are reimbursed for actual allowable expenditures on a monthly basis. Receipt of these reports and payment for these costs follow a monthly cycle which is used to help determine letter of credit draw-downs. Cash on hand is monitored daily by the Bureau of Finance.

Breast pump reimbursement

Agencies are reimbursed for breast pump expenditures on a quarterly basis. Receipt of these reports and payment for these costs will be drawn from WIC food funds or other funds approved by the State WIC office. See Policy 315.40 for allowable purchases with WIC food funds.

Vendor reimbursement

WIC food checks are reimbursed according to this process.

Stage	Description
1	Participating vendors present redeemed food checks to their local banks for immediate reimbursement.
2	Local banks send the checks to the state's contract bank for payment from the WIC account.
3	The contract bank informs the state WIC office by e-mail of the amount which needs to be transferred to the bank for that day's presentments.
4	The state WIC office authorizes the depository bank to wire that amount to the contract bank.

Accountability for Formula Rebate Funds

Overview	The Iowa WIC Program receives approximately \$15.5 million per year in rebates through an infant formula rebate contract. These funds are identified separately in the state's accounting system as a credit against the food costs.
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Formula report	A monthly report shows the number of cans of formula purchased with WIC food checks paid during the previous month. This report identifies the number of cans purchased by formulation (concentrate, powder, or ready-to-feed). The report also identifies the month that the checks were issued, so that rebate funds may be credited against the correct fiscal year.
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Rebate process	The state WIC office presents a monthly invoice showing the total number of cans the formula manufacturer is to pay a rebate on, and the manufacturer issues rebate payment. The State agency reports to the USDA rebate payments received from manufacturers in the month in which the payments are received.
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Conversion of funds	Funds may be converted from food to NSA funds only in accordance with USDA procedures.
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